



11 June 2008

Strike Oil Limited  
ABN 59 078 012 745

The Company Announcement Officer  
Australian Stock Exchange Ltd  
*via electronic lodgement*

## RAYBURN PROJECT - OPERATIONAL UPDATE

### SEVENTH RAYBURN WELL SPUDDED

Strike Oil is pleased to announce an update of activities at the Rayburn Project in the Gulf Coast, Texas.

- **Gilbert Freeman 3 spudded**
- **Duncan 3 and Gilbert Freeman 2 testing on schedule**
- **Production levels maintained and revenue forecasts achieved**

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### RAYBURN PROJECT – WHARTON COUNTY

(Strike Oil 22.8% Working Interest; Operator Cypress E&P Corporation)

#### Rayburn Drilling

##### Gilbert Freeman 3

Gilbert Freeman 3, the seventh well in the Rayburn drilling program, spudded on the 6<sup>th</sup> of June (Texas time). At report time the well had reached a depth of 2,635 feet (803 metres) where 13 3/8 inch casing had been set as planned.

Preparations are now underway to drill the 12 ¼ inch section of the hole. Proposed total depth is 12,200 feet (3,719 metres).

The well is targeting additional field reserves in multiple objectives in the Middle Wilcox Formation.

Gilbert Freeman 3 is located approximately 2,099 feet (640 metres) west southwest of Gilbert Freeman 1 and 2,500 feet (762 metres) west northwest of the Duncan 1 well, the initial discovery well in the area.



### Our Strengths

- Producer/Explorer with strong cash flow
- Track record of discoveries
- Geographically diverse portfolio
- Highly experienced team
- Strong experienced partners
- Innovative approach to E&P

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## Rayburn Testing

Plans for testing of the Duncan 3 and Gilbert Freeman 2 wells remain on schedule with the testing of Duncan 3 due to commence in approximately two weeks.

## Production and Revenue

Production from the Duncan 1 and 2 wells and the Gilbert Freeman 1 well returned to a combined rate of approximately 24 million cubic feet of gas and 650 barrels of condensate per day from the Wilcox Formation after the completion of minor maintenance at the production facilities.

Revenue from Strike Oil's Working Interests in the Mesquite and Rayburn Projects is according to forecast at \$3 million per month and is expected to increase when the Duncan 3 and Gilbert Freeman 2 wells are brought into production.

Yours faithfully

A handwritten signature in black ink, appearing to read "Simon Ashton".

**SIMON ASHTON**  
Managing Director

*Further information:*

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